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FINANCING OF THE UNITED NATIONS MISSION FOR THE REFERENDUM IN WESTERN SAHARA

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/48/848) on the financing of the United Nations Mission for the Referendum in Western Sahara (MINURSO). During the course of its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information to the Committee.

2. Section I of the Secretary-General's report summarizes developments since the establishment of MINURSO by Security Council resolution 690 (1991) of 29 April 1991, including the appropriation of the amount of $143 million gross ($140 million net) by the General Assembly, in its resolution 45/266 of 17 May 1991, for the operation of MINURSO.

3. The Secretary-General's report also provides information on the status of assessed contributions and the unencumbered balance, voluntary contributions, the financial performance report for the period from 1 December 1992 to 31 December 1993 and cost estimates for the period from 1 January to 31 December 1994 and the observations of the Secretary-General.

4. In paragraph 26 of the report, the Secretary-General summarizes the actions to be taken by the General Assembly at its forty-eighth session, in connection with the financing of MINURSO.

5. With regard to assessed contributions, the Advisory Committee notes from paragraph 19 of the report that, as at 31 December 1993, of an amount of $140,911,223 apportioned among Member States, a total of $120,550,131 in

payments has been received, leaving a balance due from Member States of $20,361,092. The Advisory Committee was informed that the situation with regard to outstanding assessed contributions was virtually unchanged as at 7 March 1994.

6. The Advisory Committee is not satisfied with the information contained in the report of the Secretary-General on voluntary contributions and the effect these contributions have on expenditures, especially with regard to the provision of fuel and food. In his next report on the financing of MINURSO, the Secretary-General should provide information on voluntary contributions in accordance with guidelines approved by the General Assembly.

7. Annexes I and II to the Secretary-General's report summarize and provide supplementary information in respect of the financial performance of the operation for the period from 1 December 1992 to 31 December 1993. As indicated therein, total expenditure amounted to $36,148,050 gross ($34,626,950 net), resulting in savings of $1,683,400 gross ($1,234,800 net) from the initial cost estimate.

8. As shown in document A/48/848, the Secretary-General estimates the cost of the operation for the period from 1 January to 31 December 1994 at $39,818,400 gross ($37,429,200 net) or $3.3 million gross ($3.1 million net) per month. Annexes III and IV to the Secretary-General's report provide a summary statement and supplementary information in respect of this estimate. The Advisory Committee points out that the presentation of estimates for MINURSO on a 12-month basis is for information purposes only. The Secretary-General has not submitted any proposal regarding the financial period of this operation.

9. The Advisory Committee notes from paragraph 23 of the report that the unencumbered balance of $34,655,950 gross ($35,247,050 net) as at 31 December 1993 will be sufficient to meet the cost of maintaining MINURSO at its current strength for a period of about 10 months. In paragraph 26 (c) of his report, the Secretary-General requests authorization to utilize this unencumbered balance for the maintenance of MINURSO, pending a further decision of the Security Council, at a monthly rate of $3,318,200 gross ($3,119,100 net).

10. The Advisory Committee notes from paragraph 25 of the Secretary-General's report that, should the Secretary-General be in a position to propose to the Security Council a detailed timetable for holding a referendum in 1994, a revised cost estimate will be provided to the General Assembly.

11. The Advisory Committee has been informed that a correction has been made in the number of medical personnel from 50 to 41. The Committee notes from paragraph 21 of the Secretary-General's report that there is a voluntary contribution of aircraft in support of the medical unit, together with 30 support personnel. The exact functions to be carried out by the support personnel have not been made clear to the Committee. On the basis of the revised number, the cost estimates in annex III, line item 1 (b), and annex IV, paragraphs 11 to 14 and 17, can be revised downwards. The corresponding reductions in the estimate would be $160,500 ($114,600 under standard troop cost reimbursement, $1,300 under welfare, $32,800 under rations, $4,200 under daily allowance and $7,600 under clothing).

12. The Advisory Committee was informed that, besides looking after the health of the mission personnel, the Medical Unit is treating the local population in the Mission area. Nevertheless, given the size of the Mission, the Advisory Committee believes that the total number of medical personnel is high.

13. A clarification was made with regard to mission subsistence allowance payable to all Mission personnel, excluding locally recruited staff and discussed in annex IV, paragraphs 2 to 4. The Advisory Committee was informed that full mission subsistence allowance is at the rate of $110 per person per day and is payable to staff who are away from their base duty stations but within the Mission area and who are not provided with accommodation and food. For staff who are provided with accommodation and food, the rate is $40 at Laayoune and $45 at other locations.

14. The Advisory Committee notes from annex IV, paragraph 29, that the assumption that "in any given weekend, 75 per cent of the staff (equivalent to 92) will be away from their base duty station". The Committee queries the justification for assuming that 92 members of the staff will be away on weekends. Moreover, the Committee does not believe that staff who are voluntarily away from headquarters and not on official duty should receive mission subsistence allowance at the rate of $110 instead of $40 or $45 as the case may be. In the circumstances, the Committee recommends a reduction of $708,400 in the estimate.

15. The Advisory Committee notes from annex IV, paragraph 5, that travel of mission personnel to and from the Mission area is by commercial means only and there is no provision for charter or group travel arrangement as has been the case in respect of other peace-keeping missions. The Committee was not provided with a justification for this. The Committee recommends that appropriate charter arrangements be explored with a view to reducing the high cost of travel.

16. The estimate provides for a 17-member movement control unit as part of the 341 military personnel (annex IV, para. 7). The Advisory Committee was informed that this is a unit specializing in cargo handling, including maritime aircraft and road/ground transportation. The unit works closely with the Chief Air Service Officer, who schedules movement of aircraft and ensures effective utilization of the Mission's fleet among the various locations of the Mission's units. In this connection, the Committee points out that the military force involved consists of observers only and, in view of the size of the Mission, the Advisory Committee questions the need for a movement control unit of this size.

17. Furthermore, the Committee points out that, in addition to reimbursement at standard rates to the troop-contributing country providing the unit, a provision for mission subsistence allowance has also been made for the personnel of this unit. The Committee was informed that this Mission is unique in that no accommodation or food is provided. The Committee understands that there are few precedents for such a situation and that the closest parallel is the case of staff officers of military contingents in some missions who receive both the reimbursement at standard rates and mission subsistence allowance.

18. Provision is made in annex IV, paragraph 15, to pay mission subsistence allowance for the Signals Unit, consisting of 43 military personnel. The Advisory Committee understands that air fare for these personnel is also being paid by the United Nations. However, the Committee notes that, in paragraph 21 of the report, this item is listed as a voluntary contribution for which no budgetary provision was made. In this connection, the Committee was informed that the Government providing the Unit had expressed the intention of withdrawing it and the Secretary-General was looking into the possibility of introducing some changes in the way the service was financed. The Committee welcomes efforts to provide this service in a more cost-effective manner.

19. As reflected in annexes V and VI to the Secretary-General's report, the estimate for the period 1 January to 31 December 1994 provides for a total of 179 posts to accommodate 124 international civilian staff (36 Professional, 51 General Service, 37 Field Service) and 55 local staff.

20. The Advisory Committee was informed that, as of February 1994 the vacancy factor was 28 per cent for Professional staff and 14 per cent for General Service, Field Service and local staff.

21. With regard to the Special Representative of the Secretary-General, the Advisory Committee notes from paragraphs 23 and 24 of annex IV to the report that his salary is "based on the assumption that during the 12-month period a total of 6 months will be required for the performance of his duties" and, effective 1 December 1993, he is paid on an "as and when employed" basis.

22. The Committee was informed that the Special Representative was on a fixed-term appointment for six months and that, in accordance with a previous recommendation of the Advisory Committee, he is paid on a "when actually employed" basis at the under-secretary-general level; compensation for the Special Representative of the Secretary-General does not entail participation in the United Nations Joint Staff Pension Fund. In addition, the Special Representative receives a daily subsistence allowance when in New York or a mission subsistence allowance depending on the location. The Committee was further informed that the daily salary to be paid when actually employed is calculated by dividing the annual salary for an under-secretary-general ($148,296 gross) by 261 days per year (21.75 working days per month). The Committee was not convinced of the rationale for using the factor of 261 rather than 365. The Advisory Committee intends to examine the administrative and financial issues related to special representatives in the context of the Secretary-General's report on special representatives, envoys and related positions (A/C.5/48/26).

23. With regard to the international General Service staff, the Advisory Committee believes that the number of 51 is high in relation to the size of the operation and should be reviewed. The Committee stresses that, wherever possible, General Service staff should be replaced by locally recruited staff.

24. In connection with local staff, although the authorized number for the previous mandate period is 8 and the proposed number is 55, the difference of 47 does not represent an increase in the total staffing table of the operation. This is because, in the previous mandate period, MINURSO had the services of

47 local staff who were categorized as casual labourers and recorded under miscellaneous services (see annex II, paras. 10 and 31, and annex IV, para. 23).

25. The Advisory Committee notes that salaries and common staff costs for international staff are based on New York standard costs except for international staff on assignment from other United Nations organizations and staff appointed for the Mission. The estimate for the local staff is based on the local salary scale established for Western Sahara (annex IV, para. 6). The Committee was informed that the local salary scale established for MINURSO was based on Rabat standard costs. It is the view of the Committee that the cost of living in Rabat may be higher than that in Laayoune, the headquarters of MINURSO. In this connection, the Advisory Committee recommends a review of the basis for applying the Rabat standard costs to the Mission area.

26. An amount of $97,000 has been provided for two consultants (annex IV, para. 26). The Advisory Committee notes that, in the previous mandate period, a provision was made for consultants to perform functions similar to those enumerated in annex IV, paragraph 26, and the period during which they were utilized was shorter than provided for (see annex II, para. 10); the Committee is not convinced of the need for consultants for six months. It is also the view of the Committee that the payment of $7,700 per month for each of the two consultants is excessive.

27. The estimate provides $4,996,500 for the hire of five medium-size helicopters and $2,352,000 for hiring three light aircraft (annex IV, paras. 49 and 55). This is in addition to one aircraft being provided free of charge to MINURSO by one Government. It is the view of the Advisory Committee that, given the size of the Mission, the number of helicopters and aircraft appears excessive. In this connection, the Committee recommends a review of this item.

28. As indicated in paragraph 8 above, the Secretary-General estimates the requirements of MINURSO at $39,818,400 gross ($37,429,200 net) or $3.3 million gross ($3.1 million net) per month for the period from 1 January to 31 December 1994. Taking into account its recommendations and observations above, the Advisory Committee recommends that the Secretary-General be given authority to use the unencumbered balance of the initial appropriation for the maintenance of MINURSO at the level of $9 million gross for the three-month period from 1 January to 31 March 1994 and $3 million gross per month each month thereafter pending the receipt of the Secretary-General's report on revised cost estimates (see para. 10 above). As indicated in paragraph 9 above, on the basis of the Secretary-General's estimates, the unencumbered balance should be sufficient to finance the mission for at least 10 months from 1 January 1994.

29. In this connection, the Advisory Committee points out that outstanding assessments of $20.3 million, unless received in the coming months, will have a significant impact on cash flow and on the maintenance of the operation. This underlines the necessity of prompt payment of assessed contributions by Member States in accordance with the Financial Regulations.